

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

CCL Label

South Carolina Manufacturing Extension Partnership

SCMEP introduces Lean Manufacturing to CCL Label

Client Profile:

CCL Label is part of CCL Industries, the leading global supplier of decorative and specialty labels to the world's largest consumer, beauty care, personal care and healthcare companies. Distributing to such customers as Procter & Gamble, Bausch & Lomb, Johnson & Johnson and Unilever, the company services five major clients and a number of smaller businesses. CCL employs 132 people at its facility in Charlotte, South Carolina.

Situation:

CCL avoided the crippling consequences of the recent recession; however, the downturn still affected the company. CCL Label wanted to become more competitive and approached York Technical College in Rock Hill, South Carolina, which in turn, contacted the South Carolina Manufacturing Extension Program (SCMEP), a NIST MEP network affiliate.

Solution:

SCMEP partnered with York Tech to teach Lean to the Charlotte plant. SCMEP began with the Competitiveness Review, a nationally recognized assessment tool that provides a comprehensive on-site evaluation of a company's operations that appraises capabilities and gauges effectiveness of its business systems. CCL Label introduced the 5S program (Sort, Straighten, Shine, Standardize, Sustain) and Value Stream Mapping, two foundation tools associated with the Lean process. Both stress structure and orderliness for increased efficiency, safety and excellence. A new order flow was implemented with the focus being the front end of business. CCL Label instituted an automatic paper order entry system, consolidated color standards and design, and relocated specifications to point of use. New technology has allowed the company to expedite orders and changeover procedures for the presses, and reduce overtime. "We're reacting to what the customer needs are and anticipate what the future needs are going to be," said Fred Roland, CCL Label Quality Assurance Manager. The objective was to become leaner and greener. For example, CCL Label curbed its use of corrugated boxes and wood pallets, greatly reducing its packaging and handling costs. The drop has been dramatic. CCL formerly used 162 wood pallets and 865 cartons per month. Now, with the introduction of recyclable packing, CCL Label has eliminated its monthly consumption of 3,107 pounds of corrugated cardboard and 4,356 pounds of wood pallets. In January 2009, CCL Label held on hand 27 million labels, the equivalent of 61 days and \$233,109 worth of inventory. Today, the difference is immense. By August, CCL Label had available 6.5 million labels, or six days and \$78,750 in inventory. As a result of SCMEP's assistance, CCL Label has acquired new business and recovered old business. A weekly customer order of 15-18 million labels received on a Thursday can be delivered the next Tuesday; and instead of a three-week lead time, it's now just five days. Innovation has added value to the products and process, giving CCL Label and its clients remarkable flexibility.

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Results:

- * Reduced inventory.
- * Reduced lead time from 3 weeks to 5 days.
- * Improved employee morale.
- * Achieved a more competitive and profitable position.

Testimonial:

"Representatives from CCL Industries in England, Canada, France, Mexico and America have visited the Charlotte facility to study the improvements for implementation at their respective plants. Every year, CCL Label holds an awards ceremony to honor the top-performing facilities, and this year, Charlotte won "Excellence in Manufacturing Improvement." The distinction is directly related to its Lean efforts, and accordingly, to its partnership with SCMEP."

Jim Searcy, General Manager